Transform Your Business by Being Remarkable

PURPLE COW

THE SUMMARY IN BRIEF

Following the traditional rules of marketing just isn’t enough anymore. In today’s competitive economy, companies that want to create a successful new product must create a remarkable new product.

According to bestselling author and marketing guru Seth Godin, such a product is a Purple Cow, a product or service that is worth making a remark about.

The impact of advertising in newspapers and magazines is fading — people are overwhelmed with information and have stopped paying attention to most media messages. To create Purple Cow products, Godin advises companies to stop advertising and start innovating.

Godin recommends that marketers target a niche, and he describes (through an assortment of case studies) effective ways to spread your idea to the consumers who are most likely to buy your product.

Godin claims there isn’t a shortage of remarkable ideas — every business has opportunities to do great things — there’s a shortage of the will to execute those ideas.

What You’ll Learn In This Summary

✓ What makes a product or service worth mentioning.
✓ How to build things into your product or service that are worth noticing.
✓ How companies can win when they value the attention of their prospective customers.
✓ Why individuals and businesses have stopped paying attention to newspaper and television advertising.
✓ Why it is important to find and seduce “sneezers” — people who launch and spread an “ideavirus” by telling their colleagues and friends about a new product or service that they’re knowledgeable about.
✓ Why boring is almost always the most risky strategy.
✓ How to milk your Purple Cow for everything it is worth by figuring out how to extend its lifespan and profit from it for as long as possible.
✓ What to do when the benefits of your Purple Cow start to wane.
✓ What you should do when nothing else is working.

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Not Enough *Ps*

For many years, marketers have used the five (or more) *Ps* as guidelines for selling their product and achieving their company’s goals. Some of the *Ps* include:

- **Product**
- **Promotion**
- **Publicity**
- **Pricing**
- **Packaging**
- **Positioning**
- **Pass-along**

According to the popular theory, if these elements aren’t all in place, the marketing message is unclear and ineffective.

Making the right marketing moves does not guarantee success, but the prevailing wisdom used to be that if your *Ps* were right, you had a better chance of succeeding in the marketplace.

But at a certain point in the evolution of marketing, it became clear that following the *Ps* just isn’t enough. This book tells about a new *P* — Purple Cow — that is extremely important to marketers in today’s fast-paced, highly competitive business environment. Purple Cow refers to a product or service that is different from the rest and somehow remarkable. *Purple Cow* tells about the why, the what, and the how of remarkable. ■

**Boldfaced Words and Gutsy Assertions**

Remarkable marketing is the process of building things into your product or service that are worth noticing. Not adding marketing to your product or service at the last minute, but understanding that if what you’re offering isn’t remarkable, it is invisible in the marketplace.

The TV-industrial complex refers to the symbiotic relationship between consumer demand, TV advertising and growing companies that depend on ever-increasing spending on marketing.

The post-consumption consumer has run out of things to buy. Most of us have what we need, we don’t want much, and we’re too busy to spend a lot of time doing research about the products or services that have been created for us.

The marketing department bases its efforts on an existing product, spending money to tell the target audience about its special benefits. This approach doesn’t work anymore.

At this point in time, companies can no longer market directly to the masses because in today’s world most products are invisible. Leading business writers have noted that over the past two decades, the dynamic of marketing has changed. The traditional approaches are now obsolete, and alternative approaches aren’t a novelty — they are all we’ve got left.

Companies must create products and services that are remarkable — Purple Cows — and they must stop advertising and start innovating. ■

**Did You Notice the Revolution?**

Over the past 20 years, some people have changed the way they think about marketing. Business guru Tom Peters presented his vision of the “new marketing” with his book *The Pursuit of Wow*, a book that claims the only products with a future are those created by passionate people. Peters laments that, too often, big companies are scared companies, and they actually try to restrict change, including the good change that happens when people who care create something remarkable.

In their book *One to One Future*, Don Peppers and Martha Rogers focus on a simple truth — that it is cheaper to keep an old customer than to make the effort to get a new one — and provide the blueprint for the entire field of customer relationship management. Peppers and Rogers conclude that there are only four kinds of people (continued on page 3)
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(prospects, customers, loyal customers and former customers), and that loyal customers will usually continue to spend money on products and services they like.

In Geoff Moore’s book Crossing the Chasm, he describes how new products and ideas reach different groups of people, first the innovators and early adopters, then the majority, then the laggards. Moore’s premise applies to almost every product or service offered to any audience.

And in Permission Marketing, Purple Cow author Seth Godin outlines the public’s growing attention deficit that marketers must overcome. He describes how companies win when they value the attention of their prospects and don’t treat it as a disposable resource to be used and abandoned.

Why You Need the Purple Cow

Whether you are marketing a product or service to consumers or corporations, the sad truths about marketing are that:

- Most people can’t buy your product — they don’t have the money, don’t have the time, or simply don’t want it.
- If consumers don’t have enough money to buy what you are selling at the price you are selling it for, you don’t have a market for your product or service.
- If consumers don’t have time to listen to and understand your marketing pitch, your product or service is invisible to them.
- If consumers take the time to hear your pitch but decide they don’t want what you are selling, you are not going to be successful.

So Many Options

Most people who might buy your product or service will never hear about it. These days, people have so many options for getting information that they aren’t easily reached by the mass media. Busy consumers ignore unwanted messages.

A remarkable idea that spreads like a virus — an “ideavirus” — is hard to spread to consumers who are satisfied. And since marketers have overwhelmed consumers with too much of everything, people are less likely to tell a friend about a product unless they are sure the friend wants to hear about it.

This holds true for business and industrial products as well as for consumer products. People who buy for businesses — whether it is advertising, parts, service, insurance, or real estate — simply aren’t as needy as they used to be. The marketers who got to them before you have a huge advantage — they are already there, and the customer is satisfied. If you want to grow your market share or launch something new, you face some daunting challenges:

- Consumers aren’t as likely to have obvious, easily solved problems that your product or service will fix.
- Consumers are hard to reach because they are overwhelmed with information and will tend to ignore you.
- Satisfied customers are less likely to tell their friends.

The Death of the TV-Industrial Complex

The TV-industrial complex is dying, and that should worry us. We built a large part of our economy on this process of companies spending huge amounts on advertising to reach consumers, and now that process is going away. The death of the TV-industrial complex has caused a lot of the turmoil at our companies today.

The process is simple — find a market niche that needs to be filled; build a plant to make a product to fill that niche; buy a lot of television ads to promote the product; the ads will lead to retail distribution and sales; the sales will keep the factory busy and create profits.

A Successful Cycle

Smart companies used the profits to fund more distribution and more factories. Before long, this successful cycle built a large, profitable brand.

And as the brand became larger and larger, it commanded a higher price, which brought larger profits and more money for more TV ads. Consumers eventually believed that products “seen on TV” were of high quality.

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so they used television to look for products. Brands that were not advertised on television lost distribution and, ultimately, profits.

TV commercials are the most effective selling tool ever devised. A large part of America’s economic success in this century is due to the fact that our companies have perfected this medium and used it extensively.

Cars, cigarettes, clothing, food — anything that was advertised well on television was changed by the medium. Marketers not only used television to promote products, but television changed the way products were created and marketed. Because of this, the marketing Ps were changed to take advantage of the dynamic between creating products and capturing consumers’ attention on television.

The impact of advertising in newspapers and magazines is fading too, just like any form of media that interrupts any form of consumer activity. Individuals and businesses have just stopped paying attention.

That’s the problem. The TV-industrial complex is going away, and most marketers don’t know what to do about it. Every day, companies spend millions trying to re-create the TV-industrial complex. And every day they fail.

The old rule was: CREATE SAFE, ORDINARY PRODUCTS AND COMBINE THEM WITH GREAT MARKETING.

The new rule is: CREATE REMARKABLE PRODUCTS THAT THE RIGHT PEOPLE SEEK OUT.

Consider the Beetle

Remember the original Volkswagen Beetle? When it was first introduced to the public, it wasn’t an immediate hit. It sold poorly until some brilliant advertising saved it. Because of this great TV and print ad campaign, the Beetle was profitable in the United States for more than 15 years.

The story of the original Beetle — and how advertising made it successful — is a perfect illustration of the power of the TV-industrial complex.

A Different Story

The new Beetle is a different story. It became successful because of how it looked and how it felt to drive. It also earned good reviews from the auto industry, received great word of mouth from satisfied owners, and had a distinctive shape that appealed to car buyers. Every time the cute little Beetle drove down a street clogged by boxy SUVs, it was marketing itself.

Competing in the Up and Down Elevator Market

Elevators are not a typical consumer product — they can cost more than $1 million, they are usually installed when a building is constructed, and they are not very useful unless the building is over three or four stories high.

So how does an elevator company compete? Until recently, selling in the elevator business involved a lot of wining and dining clients and long-term relationships with real estate purchasing agents.

But Schindler Elevator Corp. has dramatically changed this by developing a Purple Cow product.

Waiting for an elevator that stops on every floor can be time-consuming and frustrating. The obvious solution is for a building to install more elevators to handle more passengers. But that solution is very expensive and takes time to implement.

Every Elevator Is an Express

Schindler created an exceptional solution to this problem for the Cap Gemini Co. in Times Square. When you approach the company’s elevators, you key in your floor on a centralized control panel, and the panel tells you which elevator is available to take you there.

The elevator system at Cap Gemini has turned every elevator into an express — it takes a passenger immediately to his or her floor, then races back to the lobby. This Purple Cow product, implemented at a remarkably low cost, means that the building needs fewer elevators for a given number of people and passengers don’t have to wait very long for a lift.

The Will and the Way

There isn’t a shortage of remarkable ideas — every business has opportunities to do great things — there’s a shortage of the will to execute them.

Since the old ways of doing things have become obsolete, it’s actually safer to take the risk inherent in trying to create remarkable things. Your best bet is to take the steps necessary to create Purple Cows.

Takeaway Ideas

Even the best excuses, such as, “We don’t have the ability to find the great idea,” or, “We can’t distinguish the great idea from the lousy ones,” can be overcome by brainstorming, ideation and creativity techniques. These can be used to find the takeaway ideas, the specific things that can be done tomorrow to start a company on its way to the Purple Cow. If you’ve got the will, you’ll find the way.
Ideas That Spread, Win

Until an actual product or service is created, a brand or new product is nothing more than an idea. Ideas that spread rapidly — “ideaviruses” — are more likely to succeed than ideas that don’t.

“Sneezers” are the people who launch and spread an ideavirus. These people are the experts who tell all their colleagues and friends about a new product or service that they are knowledgeable about. Every market has a few sneezers — finding and seducing these sneezers is essential to creating an ideavirus.

Capture Their Interest

To create an idea (and a product or service) that spreads, don’t try to make a product for everybody, because that is a product for nobody. Since the sneezers in today’s huge marketplace have too many choices and are fairly satisfied, an “everybody” product probably won’t capture their interest.

To connect with the mainstream, you must target a niche instead of a huge market. In targeting a niche, you approach a segment of the mainstream and create an ideavirus so focused that it overwhelms that small section of the market and those people will respond. The sneezers in this niche are more likely to talk about your product, and best of all, the market is small enough that just a few sneezers can spread the word to the number of people you need to create an ideavirus.

It is no accident that some products catch on and some don’t. When an ideavirus happens, it is usually because all the pieces have come together and produced that result.

Who’s Listening?

The death of the TV-industrial complex has made some people predict that all mass media will die. And because ads aren’t as effective as they used to be, it is easy to conclude that ads don’t work at all, and that every consumer avoids and ignores them all.

Of course, this isn’t true. Ads do work — not as well as they used to, and perhaps not cost-effectively, but they do attract attention and generate sales. Targeted ads are much more cost-effective than untargeted ads, but most advertising and marketing efforts are completely untargeted. They are like hurricanes, moving across a landscape of consumers and touching everyone in the same way, regardless of who they are and what they want.

But in any given market there are still some people who are all ears — they want to hear from you. They look through the Yellow Pages, subscribe to trade magazines, and visit Web sites looking for more information.

Some of these people will eventually buy.

So the big idea is this: IT IS USELESS TO ADVERTISE TO ANYONE — EXCEPT INTERESTED SNEEZERS WITH INFLUENCE.

Advertise at the Right Time

You must do your advertising at the right time (when these consumers are looking for help), and in the right place (where they’ll find you). Advertising to one interested person is a good idea, but the real success happens when the person listening is a sneezer who will probably tell his or her friends and colleagues.

When you are not marketing your product or service to the right people, you must be investing in the Purple Cow — products, services and techniques so useful, interesting and noteworthy that the market will want to listen to what you have to say.

The Problem with the Cow

The problem with creating Purple Cow products is actually a problem with fear. Some folks will tell you that there are too few great ideas or that their product, industry or company can’t support a great idea. This is
The Problem with the Cow
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not true. People have a problem creating a Purple Cow product because they are afraid.

If you are remarkable, some people won’t like you. Nobody gets unanimous praise, ever, and criticism always comes to those who stand out. So the timid try their best not to stand out.

A Great Opportunity

The good news is that since almost everyone else is petrified of creating a Purple Cow product, you can be remarkable with much less effort. It is just common sense that if successful new products are the ones that stand out, and most people don’t want to stand out, you’ve got a great opportunity.

The lesson here is simple — since boring always leads to failure, boring is almost always the most risky strategy. Smart businesspeople realize this, and they work to minimize — but not eliminate — the risk from the process.

The Benefits of Being the Cow

As being remarkable continues to show its incredible value in the marketplace, the rewards earned by the Purple Cow increase.

Whether you develop a revolutionary new insurance policy, record the song of the year, or write a best-selling, groundbreaking book, the money, prestige, power and satisfaction that follow are incredible.

Huge Rewards

In exchange for taking the risk — the risk of failure, ridicule or unfulfilled dreams — the creator of the Purple Cow gets a huge reward when he or she gets it right.

Once you’ve managed to create a truly remarkable product or service, it is important to do two things simultaneously:

Milk your Purple Cow for everything it’s worth. Figure out how to extend its lifespan and profit from it as long as possible.

Create a working environment in which you have a good chance of inventing another Purple Cow in time to replace the first one when its benefits start to wane.

Krispy Kreme’s Secret Recipe

Many people think the soaring popularity of Krispy Kreme donuts is a recent phenomenon, but the business actually got its start in 1937 when Vernon Rudolph bought a secret yeast-raised donut recipe from a French chef from New Orleans, rented a historic building in Winston-Salem, N.C., and started selling Krispy Kreme donuts to local grocery stores.

Krispy Kreme has come a long way since then. In April 2000, the company held an initial public offering of common stock. Krispy Kreme opened its first international store in Canada near Toronto and will expand into other countries soon.

Krispy Kreme makes a good donut, but is it worth driving many miles to get one? Clearly, donut devotees believe it is. There is something very visceral about the obsession that donut fans feel about Krispy Kreme, and discovering and leveraging that feeling is at the heart of the company’s marketing efforts. This remarkable fact is the key to Krispy Kreme’s success.

Free Donuts

When a Krispy Kreme store opens in a new location, employees start by giving away thousands of donuts. The people most likely to show up for a free hot donut are those who have heard the legend of Krispy Kreme and are delighted that the company is finally in town. These people spread the word. They tell their friends and even bring them to a Krispy Kreme store. That’s when Krispy Kreme works its marketing magic by dominating the donut “conversation” — they rush to create partnerships with gas stations, coffee shops and delis to make it easy for someone to encounter their product.

If the product remains a Purple Cow, some of the newly converted Krispy Kreme fans will spread the word in a new town until the chain arrives there.

The lesson here is: Find the market niche first, and then make the remarkable product — not the other way around.

Cutting Into the Bandage Market

When Curad wanted to challenge the Band-Aid brand for the market for adhesive bandages, most people thought it was crazy. Band-Aid was a household institution, a name so well known that it was practically generic. And the Band-Aid product was terrific. What could Curad hope to accomplish?

But Curad developed a Purple Cow product — bandages with characters printed on them. Kids, who are the largest consumers of small bandages, loved them. So did parents who wanted to make cuts and scrapes heal faster.

And of course, when the first kid with Curads wore them to school, every other kid wanted them, too. It didn’t take very long for Curads to take a piece of market share away from Band-Aid.
The Process and the Plan
Is there a foolproof way to create Purple Cow products over and over again? A secret formula you can use to increase your creativity while creating a product that will meet consumers’ real-life needs? Of course not.

There is, however, a process. A system that has no definite tactics but still gets results.

Go for the Edges
The process can be summed up very simply: Go for the edges. Challenge yourself and your team to describe what those edges are by reviewing the other Ps — your pricing, your packaging, and so forth — and sketch out where your edges are, and where you competition is. If you don’t understand this landscape, you can’t go to the next step and figure out which innovations you can attempt.

For example, it would be remarkable if a health spa offered all its services for free, but without a financial model that supports that offer, the spa probably would not last very long. JetBlue, on the other hand, figured out how to get to the edge of both service and pricing with a business that was also profitable.

It’s not the tactics or the plan that joins Purple Cow products together. The process a company uses to discover the fringes makes a product remarkable.

The Magic Cycle of the Cow
In this chaotic world, must your efforts to bring new ideas to the marketplace be chaotic as well? To be successful, do companies need to continually invent remarkable products for an ever-changing roster of potential customers?

The answer is no, and the reason is because many consumers don’t change their roles very often. Sneezers love to talk about new products, and they are often open to hearing from marketers who repeatedly, reliably create Purple Cows. And if we respect the sneezers, they will listen.

Four Steps to Creating a Purple Cow
Take these four steps to accomplish this:

● Get permission from people you impressed the first time to alert them the next time you might have another Purple Cow.
● Work with the sneezers to make it easier for them to help your idea reach your target audience. Give them the tools and the story they will need to sell your idea.
● Once you’ve progressed from remarkable product to profitable business, let a different team take over. Try to create many variations of your Purple Cow product. But don’t believe your own press releases — this will cause the inevitable downward slide to mediocrity. Milk your Purple Cow for all it’s worth, and fast!
● Reinvest and launch another Purple Cow — to the same audience. Fail and fail and fail again. Assume that what was remarkable the first time won’t be remarkable this time.

The Postal Service’s Purple Cow
Because it serves a host of large, conservative customers, it is very difficult for the U.S. Postal Service to innovate. The big direct marketers have learned to thrive under the Postal Service’s current system, and they don’t want that system to change. Most individuals don’t want to change their mailing habits, either.

Many companies are so afraid of offending consumers or appearing ridiculous that they steer far away from innovation entirely. When a committee discusses a new, different product, each well-meaning participant warns that his or her constituency might not like it. So the company sticks to products that are safe ... and boring.

Most new-policy initiatives at the U.S. Postal Service are either ignored or rejected. But ZIP+4, the addition of four digits to the end of the customary five-digit ZIP code, was a huge success. Within a few years, the Postal Service disseminated a new idea that changed billions of address records in thousands of databases. How did they do it?

Worth the Time
First, it was a very beneficial innovation. ZIP+4 makes it much easier for marketers to target neighborhoods, and much faster and easier to deliver the mail. The product was a Purple Cow, completely changing the way customers and the Postal Service deal with bulk mail. ZIP+4 offered both dramatically increased delivery speed and a much lower cost for bulk mailers. These benefits made it worth the time it took for mailers to pay attention. The cost of ignoring the innovation would immediately affect customers’ bottom line.

Second, the Postal Service spread the word to workers who are knowledgeable about technology and sensitive to pricing and speed issues. These “early adopters” were in a position to communicate the benefits to other, less astute, mailers.

The lesson here is simple: The more intransigent your market, the more crowded your marketplace, the busier your customers, the more you need the Purple Cow. Half-measures will fail. Overhauling the product by making dramatic improvements in things the right customers care about can have a big payoff.
What it Means To Be A Marketer Today

If Purple Cow is now one of the Ps of marketing, it has profound implications for the enterprise: It changes the definition of marketing.

It used to be that engineering invented, manufacturing built, marketing marketed and sales sold. There was a clear division of labor, and the president managed the whole company. The marketer got a budget and bought ads with it.

Marketing was about communicating the values of a product after it had been developed and manufactured.

The Act of Inventing the Product

That’s clearly not a valid strategy in today’s world, where product attributes (everything from service to design) are now at the heart of what it means to be a marketer. These days, marketing is the act of inventing the product; the effort of designing it; the craft of producing it; the art of picturing it; and the technique of selling it. So how can a Purple Cow company not be run by a marketer?

Companies that create Purple Cows — companies like JetBlue, Starbucks, Hasbro and Poland Spring — have to be run by marketers. The CEO of JetBlue made one critical decision when the company began: He got the head of marketing involved in product design and training, and it shows. Everything JetBlue does that adds value is marketing.

Isn’t the same true for a local restaurant? In a world where just about anything we need is available and satisfying, and where just about all the profit comes from the Purple Cow, we’re all marketers!

If a company is failing, it is the fault of top-level management, and the problem is probably this: They’re running a company, not marketing a product.

Salt is not Boring — Ways to Bring The Cow to Work

For fifty years, Morton has made salt a boring product. People at the company’s headquarters would happily agree there is no chance of a Purple Cow at Morton.

The people in France who create handmade salt from seawater didn’t know that: They regularly get $20 a pound for their amazing salt. A group of Hawaiians has entered the salt business as well, providing new varieties used in gourmet restaurants. And previously boring Diamond Kosher salt will earn millions of dollars in increased annual sales — because their salt tastes better on food.

Come up With a List

Is your product more boring than salt? Probably not. So come up with a list of ten ways to change the product (not the hype) to make it appeal to a segment of your audience.

- Think small. One remnant of the TV-industrial complex is the need to think “mass.” If it doesn’t appeal to everyone, the thinking goes, it’s not worth it. That’s no longer true. Think of the smallest conceivable market and describe a product that overwhelms it with its “remarkability.”
- Outsource. If the factory is giving you a hard time about jazzing up the product, go elsewhere. There are plenty of job shops that would be delighted to take on your product. After it works, the factory will probably be happy to take the product back.
- Build and use a permission asset. Once you have the ability to talk directly to your most loyal customers, it becomes much easier to develop and sell amazing things.
- Copy, not from your industry, but from any other industry. Find an industry more dull than yours, discover who’s remarkable in it and do what it did.
- Identify a competitor who’s generally regarded as “at the edges,” and outdo it. Whatever it is known for, do that thing even better.
- Ask, “Why not?” Almost everything you don’t do is the result of fear or inertia or a historical lack of someone asking, “Why not?”